

BEFORE THE INSURANCE COMMISSIONER
FOR THE STATE OF ARKANSAS

ARKANSAS INSURANCE DEPARTMENT,)
PETITIONER)

VS.)

MATTHEW GLASS)
RESPONDENT)
NPN 7489086)

A.I.D. NO. 2018-003

EMERGENCY SUSPENSION ORDER

On this day, the matter of Matthew Glass ("Respondent") came before Allen Kerr, Arkansas Insurance Commissioner ("Commissioner"). The Arkansas Insurance Department ("Department") is represented by Gray Allen Turner, Associate Counsel, in this matter. From the facts and law before him, the Commissioner finds as follows:

FINDINGS OF FACT

1. Respondent holds an Arkansas Resident Producer License, National Producer Number 7489086. Respondent resides in West Memphis, Arkansas.

2. On November 4, 2016, the Department received a complaint from Arkansas Blue Cross concerning the Respondent's business practices. The complaint involved a Blue Cross customer who the Respondent enrolled in the Arkansas Works program. Upon further investigation, it was discovered that over 100 customers Respondent had enrolled in Arkansas Works used the same home address. The home address submitted on these customers' applications was the same as Respondent's business address.

3. As per Ark. Code Ann. § 23-64-220, producers are required to maintain a copy of "usual and customary" consumer records for a period of five years including applications, policies, and communications.

4. On January 20, 2017, the Department sent a letter to Respondent requesting that he produce and provide copies of the files of both the customer named in the complaint including "all documents signed by the consumer, all dates of contact with the consumer, and all applications."

5. Respondent, through his attorney, provided 195 pages of documents. However, he did not provide the specific documents requested. The documents provided by Respondent did not include the consumer's Arkansas Works applications, any correspondence, any notes concerning customer meetings or communications, nor calendars. Respondent, despite having the opportunity for several months to supplement the documents provided to the Department, failed to comply with the written request for documents.

6. On November 16, 2017, a Department Investigator visited the office of Respondent's agency, Southeast Insurance Group, Inc. NPN 1651002, in West Memphis. The Investigator met with an employee of Southeast Insurance, Ms. Brenda Jones, who stated that the Respondent was not in the office. Pursuant to Ark. Code Ann. § 23-64-512, the Investigator requested access to inspect Respondent's files. Through his attorney, Mr. Nate Steel, Respondent denied and refused to allow access to any files that day. The Investigator cautioned that refusal to cooperate with an insurance department investigation was grounds for a producer's license to be suspended. Mr. Steel stated that Respondent understood

but stood by his refusal to allow the Department to view any files on the basis that several law enforcement agencies were investigating Respondent.

7. Ark. Code Ann. § 23-64-512(a)(16) authorizes the commissioner to suspend a producer's license for: "Refusing to be examined or to produce any accounts, records, or files for examination. . . "

8. Ark. Code Ann. § 23-64-512(a)(17) authorizes the commissioner to suspend a producer's license for: "Failing to cooperate with the commissioner in an investigation when required by the commissioner."

9. The public health, safety, and welfare imperatively require emergency action.

CONCLUSIONS OF LAW

From the Findings of Fact contained herein, the Commissioner concludes as follows:

1. The Commissioner has jurisdiction over the parties and the subject matter pursuant to Ark. Code Ann. § 23-61-103.

2. The Commissioner has the authority to issue an emergency license suspension pursuant to Ark. Code Ann. §§ 23-64-216(e) and 25-15-211(c).

3. Respondent has violated Ark. Code Ann. § 23-64-512 (a)(16) by refusing to make files available for inspection.

4. Respondent has violated Ark. Code Ann. § 23-64-512 (a)(17) by refusing to cooperate with the commissioner in an investigation when required by the commissioner.

5. An administrative hearing will be held promptly, as required by Ark. Code Ann. § 23-64-216(e)(2). A Notice of Hearing is being served herewith.

6. The Commissioner and the Department reserve the right to amend the allegations, findings and conclusions set forth herein and further reserve the right to present additional allegations and evidence in any subsequent order or administrative hearing.

IT IS THEREFORE ORDERED:

In consideration of the Commissioner's Findings of Fact and Conclusions of Law, the Respondent's Arkansas Resident Producer License, National Producer Number 7489086, is hereby immediately suspended.

IT IS SO ORDERED this 3rd day of JANUARY 2018.



ALLEN KERR
INSURANCE COMMISSIONER
STATE OF ARKANSAS